

EMERGENCY.] *Whereas*, an emergency exists in this, that there is no existing provision of law regulating the payment of the salary of the secretary of such board, *therefore* this act shall take effect and be in force from and after its passage and approval.

Approved March 3, 1897.

STATE BONDS.

CHAPTER 133.

[S. B. 4.]

REFUNDING INDEBTEDNESS.

AN ACT Providing for Refunding the Outstanding Bonded and Other Indebtedness of the State of North Dakota.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. REFUNDING INDEBTEDNESS.] To provide for refunding at a lower rate of interest, if possible, the outstanding bonds of the state, the payment of which was assumed by the State of North Dakota under the provisions of the report of the joint commission which was approved by the people of the States of North Dakota and South Dakota, and to further provide for the payment or refunding of any maturing bonds of the state, and the capitol warrants issued pursuant to the provisions of chapter 24 of the laws of 1889, the payment of which was assumed by this state; the State Treasurer is hereby authorized and empowered and it is made his duty to prepare for issue, and to issue from time to time as occasion requires, the negotiable bonds of the State of North Dakota for such amounts as may be necessary to refund all such outstanding indebtedness, matured or maturing, or subject to the call of the state, or soon to become subject to such call, and for such amounts as may be necessary to refund all the outstanding bonds, whenever the rate of interest can be reduced, or when they become absolutely due, in accordance with the provisions of this act. Such bonds shall be made payable to the purchaser or bearer, be payable in not less than ten years nor more than thirty years from the date of their issue, and bear interest at a rate not exceeding four per cent per annum, payable semi-annually, on the first of January and July of each year, with coupons attached for each interest payment, and they may be made payable anywhere in the United States. Such bonds shall be executed under the great seal of the State by the Governor and Treasurer, shall be attested by the Secretary of State, and shall be negotiated by the Treasurer.

§ 2. SEALED PROPOSALS.] Such bonds shall be exchanged by the State Treasurer, at not less than their par value for an equal amount of the indebtedness of the State permitted to be refunded under the provisions of this act, or such bonds may be sold by him for the highest cash price obtainable, but not less than par, and the proceeds shall be applied solely to the payment of such outstanding indebtedness. If such bonds or any part thereof are to be sold for cash, as provided in this section, the State Treasurer shall receive sealed proposals for the purchase of the same, and shall give public notice of the sale for at least thirty days preceding such sale, in two or more newspapers of general circulation, one of which shall be published in the city of New York, giving date of such sale, and such bonds shall be sold to the highest bidder for cash.

§ 3. BOARD OF EQUALIZATION.] The State Board of Equalization at the time the other taxes are levied shall levy a sufficient tax annually to pay the interest on such bonds as the same becomes due, which tax shall be collected in the same manner as other state taxes are collected. Such board shall before the maturity of such bonds provide a sinking fund sufficient to retire and pay such bonds at their maturity, and for such purpose shall annually levy a tax sufficient to provide such fund. No tax or fund provided for the payment of such bonds or interest thereon shall be used for any other purpose.

§ 4. CANCELLATION OF COUPONS.] Whenever the interest coupons attached to such bonds become due or any of such bonds mature, it shall be the duty of the State Treasurer to pay the same on presentation out of any funds in his hands applicable thereto, and to cancel them when paid. Whenever any of such bonds become subject to the call of the state and funds are in the hands of the treasurer to be applied to the payment thereof, he shall call in for payment and cancellation such portion of the same as he may have funds to pay; and, if to the advantage of the state he may purchase any of said bonds at their market value and retire and cancel the same, with the sinking fund tax, as the same shall be collected and received by him.

§ 5. APPROPRIATION.] There is hereby appropriated out of the state treasury all of the funds realized by the sale of the bonds provided for in this act for the purposes in this act provided.

§ 6. REPEAL.] All acts or parts of acts in conflict herewith are hereby repealed.

§ 7. EMERGENCY.] An emergency exists in this, that a portion of the indebtedness proposed to be refunded by this act will soon mature and to maintain the credit of the State it is necessary to pay or refund its bonds and warrants as they mature, and there is no adequate law providing for the refunding of outstanding bonds or the capitol warrants, therefore this act shall take effect and be in force immediately after its passage and approval.

Approved February 13th, 1897.